

## MEMORANDUM

**TO:** All financial institutions  
**FROM:** Tim Berry, Treasurer of State  
**DATE:** January 2, 2004  
**RE:** Retail lock box services

As you are all aware that state of Indiana through its numerous agencies has a number of banking service needs. The treasurer's office often assists the various state agencies in obtaining their banking services to insure that the agency receives both the services that they need and at the lowest possible cost to the state. Therefore, we are currently looking for institutions that might want to provide retail lockbox services for the Child Support Division of the Family and Social Services Agency. I wish to make the opportunity to provide this service open to any institution that wishes to submit a proposal to this office. The purpose of this memorandum is to provide all interested parties with the same set of facts on which to submit their proposal. This will allow the Treasurer's office the ability to compare similar proposals and make an informed decision.

Attached you will find an information sheet showing monthly volumes for the Child Support division, as well as a brief description of the current process for handling these items. Additionally, it is this office's intention to find a provider who will conduct the processing within the state of Indiana. Information that needs to be provided in a proposal is:

- Where will the actual processing services take place?
- Does your financial institution have the ability to offer an Indiana mailing address to the agencies?
- If the mailing address and the processing site are different please explain.
- What is your financial institution's current capacity for retail lock box processing?
- What type of equipment will be utilized to process this work?
- What is the cost for providing the service? To the extent possible please provide one overall per item cost for all of the work of these agencies and not a cost per agency based on individual agency volume.
- Are there any additional charges beyond the lock box such as deposited item fees etc.?
- Are there additional costs for courier services? If so what? Please state them clearly.
- How many pick-ups at the post office will there be daily and when?

- If you pick the mail up 8:00 on a Monday morning how much of the work will be processed that day and when will the money hit our account?
- Can your financial institution provide float analysis on the deposits?
- Does your financial institution have imaging capabilities for this work?
- How does your financial institution process exception items?
- How would your financial institution transmit the information to each agency and the treasurer of state's office? Specifically what format will be utilized? Include a sample transmission if possible?
- Does your financial institution offer any special technological enhancements to lock box services that you wish to highlight? If so please explain.

Please note that adjustments to lock box service accounts are not handled on an agency by agency basis by the service provider, but will be handled directly through the treasurer of state's office and this process will be discussed in detail with the new provider.

All responses must be in writing and must have two copies delivered to the Treasurer of State's office by 12:00 p.m. on Tuesday, January 20, 2004. Respondents should not contact individuals at the Family and Social Services Agency regarding these services and their needs. Such contact will be negatively viewed in the review process and may disqualify your financial institution from final consideration. All inquiries can be made to Betsy Burdick, Chief Deputy Treasurer and you can contact her at (317) 232-6388.

Enclosures

**Family & Social Services Administration  
Child Support Bureau  
Information Sheet**

The Child Support Bureau (CSB) receives checks and lists from employers who withhold child support payments from their employees' wages. Currently CSB staff sort the checks and the lists, photocopy the checks, prepare their deposit and then key the required information from the lists into the ISETS system.

- The number of checks received is approximately 25,000 per month.
- There is no uniform document size
- There is no uniform envelope
- It is essential that all necessary information be captured for each item before the payment is processed. Required information includes: Case #, name or social security number of the non-custodial parent. Given that please price as many different scenarios as possible to assist the CSB in completing this work. The current process for handling these items is extremely labor intensive so any way in which you might be able to automate some of the process should be explained and priced.